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INSURANCE DEPARTMENT PRESS RELEASE

For Immediate Release

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**Over \$660,000 is refunded on more than 13,000 Workers'
Compensation Policies in response to NH Insurance Commissioner's
Order**

Concord, NH – Reference Press Release dated June 16, 2005

Insurance companies in compliance with Commissioner Sevigny's July 14, 2005 Order, have refunded \$666,086 to 13,424 Workers' Compensation policyholders for policies written throughout 2003, 2004 & 2005.

The order applied to the 2003, 2004, and 2005 rate filings prepared by the National Council on Compensation Insurance (NCCI).

The changes in the 2003, 2004, and 2005 rate filings were necessitated after discovery late in 2004 by Insurance Department staff that payroll information used in calculating rates had been underreported for a number of employer class codes. The problem was uncovered during a focused Insurance Department review of rates applicable to classifications specific to the Logging Industry.

Once NCCI advised the Department that other classifications were also impacted, Commissioner Sevigny immediately ordered NCCI to conduct a comprehensive review of all affected rate filings. The New Hampshire discovery also prompted NCCI to conduct further review and conclude that similar errors occurred in all NCCI jurisdictions including Maine and Vermont.

The New Hampshire Insurance Department was selected to chair the National Association of Insurance Commissioners' NCCI Oversight Working Group, comprised of 15 states working collaboratively to address issues raised by the advent of these statistical data errors.